

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING TAX INCREMENT FINANCING LAWS; PROVIDING  
5 THAT AN URBAN RENEWAL DISTRICT MAY NOT ADOPT A TAX INCREMENT PROVISION IF THE TOTAL  
6 INCREMENTAL VALUE FOR ALL DISTRICTS WITH TAX INCREMENT PROVISIONS IN THE TAXING  
7 JURISDICTION EXCEEDS 5% OF THE TAXING JURISDICTION'S TOTAL TAXABLE VALUE; PROVIDING  
8 AN APPROPRIATION; AMENDING SECTION 7-15-4282, MCA; AND PROVIDING AN IMMEDIATE  
9 EFFECTIVE DATE AND AN APPLICABILITY DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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14 **Section 1.** Section 7-15-4282, MCA, is amended to read:

15 **"7-15-4282. Authorization for tax increment financing.** (1) ~~An~~ Except as provided in subsection (2),  
16 an urban renewal plan as defined in 7-15-4206 or a targeted economic development district comprehensive  
17 development plan created as provided in 7-15-4279 may contain a provision or be amended to contain a tax  
18 increment provision for the segregation and application of tax increments as provided in 7-15-4282 through 7-  
19 15-4294.

20 (2) An urban renewal plan may not contain or be amended to contain a tax increment provision if the  
21 total incremental taxable value of all urban renewal districts that have adopted a tax increment provision within  
22 the taxing jurisdiction exceeds 5% of the total taxable value of the taxing jurisdiction.

23 ~~(2)(3)~~ (a) Before adopting a tax increment financing provision as part of an urban renewal plan or a  
24 comprehensive development plan, a municipality shall provide notice to the county and the school district in  
25 which the urban renewal district or targeted economic development district is located and provide the county  
26 and school district with the opportunity to meet and consult in a public meeting with the opportunity for public  
27 comment regarding the proposed tax increment financing provision and its effect on the county or school  
28 district.

1 (b) Before adopting a tax increment financing provision as part of a comprehensive development plan,  
2 a county shall provide notice to the school district in which the targeted economic development district is  
3 located and provide the school district with the opportunity to meet and consult in a public meeting with the  
4 opportunity for public comment regarding the proposed tax increment financing provision and its effect on the  
5 school district.

6 ~~(3)~~(4) The tax increment financing provision must take into account the effect on the county and  
7 school districts that include local government territory."  
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9 NEW SECTION. Section 2. Appropriation. There is appropriated \$10 from the general fund to the  
10 department of revenue for administrative costs for districts that have adopted tax increment provisions.  
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12 NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.  
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14 NEW SECTION. Section 4. Applicability. [This act] applies to tax increment financing provisions  
15 adopted after [the effective date of this act].  
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